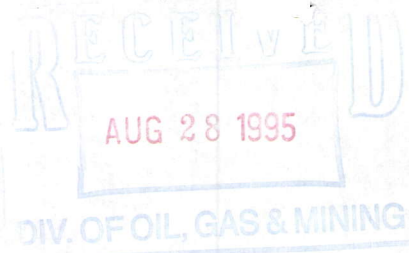


Kennecott
Utah Copper
Tailings Modernization Project
P.O. Box 352
Bingham Canyon, Utah 84006-0352
(801) 252-2801

Robert E. Dunne
Project Manager



W Hedberg
m/035/015

Kennecott

August 22, 1995

Mr. John Whitehead
State of Utah
Department of Environmental Quality
Division of Water Quality
288 North 1460 West
P.O. Box 144870
Salt Lake City, Utah 84114-4870

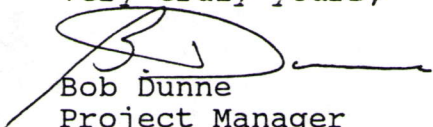
Dear Mr. Whitehead:

Subject: Ground Water Discharge Permit No. UGW350011
Financial Commitment for Technical Experts

Kennecott Utah Copper Corporation (Kennecott) is in receipt of Draft Ground Water Quality Discharge Permit No. UGW350011. As discussed at a meeting on August 10, 1995, with your staff and the Division of Oil Gas and Mining (DOGM), Kennecott is committed to providing funding for technical experts to assist the Division of Water Quality (DWQ) and DOGM in review of closure related issues.

Funding has been arranged in the form of Purchase Order No. ML352, drawn in the name of the State of Utah, Division of Water Quality. An initial budget of \$50,000.00 has been approved with potential for increase if and/or when required. Perhaps a meeting would benefit the State to discuss the mechanism for which this work would be implemented and establish the guidelines for utilization of these funds. Contact Paula Doughty at (801) 252-2806 to schedule a meeting date.

Very truly yours,


Bob Dunne
Project Manager

PD/bsh

c: Mr. Lowell Braxton, DOGM
Mr. Fred Fox, Kennecott
Mr. Wayne Hedberg, DOGM
Ms. Paula Doughty, Kennecott
File:12.250.210